

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 2218 - HB 2504

March 12, 2020

SUMMARY OF BILL: Creates the Ready Graduate Fund. Authorizes grants to be provided to assist local education agencies (LEAs) in meeting the requirements of the ready graduate indicator in the accountability models for schools and school systems. Requires the Department of Education (DOE) to administer the Ready Graduate Fund and develop procedures by which LEAs may apply for grants and to develop a formula to allocate and distribute funds. Requires an LEA that receives moneys from the Ready Graduate Fund to use the moneys to cover the costs of the LEA and the LEA's schools and students in complying with the requirements of the ready graduate indicator. Prohibits DOE from distributing funds to cover the costs of compliance with the requirements of the ready graduate indicator unless the funds are appropriated to the Ready Graduate Fund in the general appropriations act. Requires all funds remaining in the Ready Graduate Fund at the end of a fiscal year to revert to the General Fund.

ESTIMATED FISCAL IMPACT:

Increase State Revenue – Exceeds \$1,000,000/FY20-21/Ready Graduate Fund

Increase State Expenditures – Exceeds \$1,000,000/FY20-21/General Fund

Assumptions:

- The proposed legislation creates the Ready Graduate Fund to be administered by DOE; the grant fund is subject to allocations by the General Assembly.
- While the amount of funds that will be allocated to the Ready Graduate Fund and the number of districts who will apply and be approved to receive funds is unknown, it is reasonably assumed an appropriation of at least \$1,000,000 will be needed to implement the grant program.
- No change to the Basic Education Program.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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